

MONDAY-5:30 P.M.

FEBRUARY 25, 2013

WORK SESSION

The City Council of the City of Elizabeth City held its first work session of the month on the above date and time in the City Council Chambers of the Municipal Administration Building with Mayor J. W. Peel presiding. Those attending were: Mayor Peel, Mayor Pro Tem L. M. Hill-Lawrence, J. M. Baker, R. T. Donnelly, L. A. Hummer, J. A. Stimatz and J. B. Walton. M. E. Brooks and K. K. Spence were absent. City Staff members attending were: City Manager R. C. Olson, City Clerk D. S. Pierce-Tamplen, City Attorney W. H. Morgan, ECDI Director R. Cross, Inspections Director S. E. Ward, Electrical Director K. F. Clow, Planning Director J. C. Brooks, Public Utilities Director P. A. Fredette, Finance Director S. E. Blanchard, Deputy City Clerk V. D. White and Police Chief E. Buffaloe.

Mayor Peel established a quorum was present and called the Work Session to order at 5:30 p.m. He called for a moment of silent reflection after which he led the Pledge of Allegiance to the Flag of the United States of America.

1} AGENDA ADJUSTMENTS AND APPROVAL:

Mayor Peel called for any adjustments and approval of the prepared agenda.

A motion was made by Councilwoman L. A. Hummer, seconded by Mayor Pro Tem L. M. Hill-Lawrence to approve the agenda as presented. Those voting in favor of the motion were: Hummer, Hill-Lawrence, Baker, Donnelly, Stimatz and Walton. Against: None. Motion carried.

2} PRESENTATION/DISCUSSION – PRE-BUDGET INFORMATION:

Mayor Peel called upon City Manager R. C. Olson for comments.

Mr. Olson stated one of the items in our Budget Calendar this year was that we would hold a pre-budget work session to gather input from the City Council before staff really starts working on the budget. The purpose of the pre-budget work session is to basically see if in certain areas that the City Council wants us to look at prior to us getting so far in the budget that we have a hard time backing out any numbers. On April 15th he will be presenting you a balanced budget recommendation pursuant to 160A-148 that he is required to do under State Statute. Unfortunately by the time he presents a budget the budget is balanced. For you to do something we have to eliminate something or we have to raise taxes or anything else. What we are trying to do now is front end load the budget process so if there are areas that you would like city staff to look at

and report back to members of council we would be happy to do that. This coming budget is going to be a challenge once again as it has been for the last four or five years. He will get into more details very shortly. We are in pretty good shape when we look at just the cash balances. It appears that all of our revenues look flat for next year. Our sales tax looks fairly flat, building inspections, impact fees, privilege licenses all appear to be fairly flat. One thing that the City Council always requests is what is the COLA? If we gave a 1% increase it would be \$135,000. He has related a COLA to a percent increase of property tax.

Ms. Blanchard stated in our 2012 Health Insurance claims our premiums were \$2.1 million and our total claims were \$2.4 million. The means that our loss ratio is 124%. Our claims were more than what we paid in. We have learned that our increase is going to be 19%.

Mr. Olson stated that is a total increase of \$414,000 if it is a 19% increase that equates to 3.07% COLA to our employees or a 3 cents tax increase. This has nothing to do with the Affordable Health Care Act. This is the main driver that does concern city staff. The City has been fortunate over the last few years as we have not had the big increases that other municipalities have had, but we did have a bad claims year in 2012. We are looking at what we have done so far this year. We are only at 110% so far this year but unfortunately our claims history is January 2012 to December 2012. That 124% is above the 19% but the League has established a 19% cap. No City will have more than a 19% increase. What do we do? Here are some options that we are looking at right now. Option I is do we redesign our Plan. Do we change our deductible, co-pays and everything else. Option II is do we make our employees and retirees pay a portion of that increase. Option III is do we look at another provider. Unfortunately, another provider will look at the 124% claims and they are going to want a substantial increase to cover their exposure. These are some of the things that City Staff will be looking at when we do the budget. Two years ago he recommended that the employees would pay \$25.00 and that is something that might be included in this year's budget. He would like to see some sort of guidance from the City Council. This is a major obstacle in us balancing the budget. In that \$414,000 about 65% of it goes to the General Fund and the other goes to the Water and Electrical Funds.

Mr. Olson continued by saying that one thing that we always do when we look at what needs to be done is if there are opportunities for existing debt. Our total General Fund Payments is \$634,994 with a total principal balance of \$1,570,084 in 2014. Our total payments will go up by \$10,250. Now is an excellent time to go into the debt market and borrow money. Existing debt in the Electric Fund is \$343,124 but that does include the Second Delivery Point. Total principal balance is \$2,722,421 and reduction in payments is zero for 2014. Existing debt

in the Water and Sewer Fund is \$1,636,089 with a total principal balance of \$4,032,837. Total reduction in payments will be \$30,459 for 2014. There are some possibilities of issuing some debt in Water and Sewer but we need to look at that long and hard during the budget process.

Ms. Blanchard stated that in 2016 we have over \$600,000 coming off in this fund.

Mr. Olson said as the Council is well aware of there are a number of Legislative challenges facing us. There are bills that have been introduced to eliminate privilege license. We don't believe it has a lot of traction but if that would happen that would mean \$296,000 eliminated from the General Fund. The Debt Set-Off Program may be eliminated and that would mean a decrease of \$76,000. Unemployment insurance increases are up to \$75,000. The Governor has already signed that Bill last Thursday or Friday. We have \$102,000 that we receive from Internet Sweepstakes. That in all likelihood will be eliminated from the Budget unless there is a change in State Law. There are a lot of things going on in Raleigh regarding State Sales Tax. We are not sure what is going to happen. We have all heard that they might lower the rate and widen the base and maybe getting rid of the State income tax and offsetting that with a larger base of State Sales Tax. That is a very comprehensive overhaul of the State's taxing system. He personally believes it would be foolish for the State to do that this year but you may see them put something in effect that may be a phasing process. At this time there are no models out there so it makes it extremely difficult for them to do. There are some other things going on in Raleigh. We get the Legislative Update and we monitor that every week. We do participate in telephone calls with the League's Legislative Delegation. It is the Legislative's intent to have everything passed by the end of May. His problem is he is going to present you a budget on April 15th and that may have to be completely redone between then and June 30th based on what the Legislative may do. There are a lot of unknown and uncertainties.

Mr. Olson continued by saying we have a number of existing projects that are still ongoing that he needs to tell you about. They are as follows:

a} Roanoke Avenue Phase III. This comes out of the Storm Water Utility account. That project we are still trying to look at a number of options and alternatives to address the sewer associated with this project. We hope to make some progress within the next 30 – 60 days and maybe put that back on the street.

b} Middle School. This is a grant and it is going fine. We did publish the Notice of Release of Requested Funds. We should be able to start bidding that

project some time in March. The City has no local dollars in this project as we are using TDA funds to pay our \$75,000 match.

c} South Road Street. This is also grant funds and Council just awarded the contract to Hyman and Robey to do the engineering work associated with this project. This is a \$750,000 project and 100% CDBG funded. We hope to put this out to bid sometime the end of April or first part of May.

d} Fixed Area Network. This is a project that City staff is struggling with greatly. We have looked at 4-5 different software vendors and there is no preferred vendor. Each one of the vendors that we have been dealing with has a major weakness to the program. We thought we had it narrowed down then we found out one of the vendors could not read any of our commercial meters. We have a meeting tomorrow to discuss it with another vendor.

e} Mack Sawyer Building. This is coming out of the General Fund. It is in the design stages right now.

Mr. Olson asked to go over the unfunded projects. They are as follows:

a} Phase II Raw Water Transmission Line. We would pay for this out of Grant funds. We are not recommending utilizing any Water and Sewer revenue to do this project. On tonight's agenda you do have the second public hearing to apply for grant funds.

b} Completion of Road Street Water/Sewer. He is talking about from Ehringhaus Street to Elizabeth Street. That is a four or five block area. That is something that will have to be paid for out of Water and Sewer. It is not eligible for any CDBG funding or any other funding that we are aware of at this time.

c} Herrington Road Sewer. This is tied into Roanoke Avenue Phase III. That is the second public hearing we have tonight for CDBG funding. That is to redo the sewer line in the A, B Streets area from Herrington Road over to Southern Avenue. We did put this out for bids and a bid came back at about \$950,000 which is a lot more than we anticipated. The primary purpose of this is to help with the Roanoke Avenue drainage. We do have a section of pipe underneath the Herrington Road Bridge in that section from the Ice Plant all the way down to Edge Street which we do have some serious concerns about.

d} Water line improvements in the Cabbage Patch area. We did Camden Avenue last year and we have some undersized 2" lines that we would like to replace. We have about 20-24 blocks in that area that we would like to get in there do that work. That is work that would be done by city crews. We would not contract that out.

e} Phase II of the Firing Range. We are working on Phase I now. We hope to bring something to the Council by the first meeting in April with a bid to go ahead and award the contract for Phase I. That would make the range operational. Phase II would be to go ahead and do everything that is called for in the master plan of that site. This is paid 100% out of the General Fund.

f} Sidewalk on 17 North (Knobbs Creek to COA). There is NCDOT grant funds available to do this project. We are having an engineer looking at it right now. The only downside to that is there is a 30% local match but Powell Bill funds would be eligible for this project.

g} Poindexter Street Parking Lot Improvements. This is on the agenda for tonight. We will be discussing how to pay for this project then.

h} Lime Feed System and i) Mixing Basin at the Water Treatment Plant. We have money in the Water and Sewer Reserve account to hopefully pay for both projects.

j} Resurfacing Main Street. This would be from Griffin Street to Hughes Boulevard. We had a major sewer line break in that area and we did a patch job and that patch has settled. We need to go in there and redo that roadway to address that issue.

k} 800 MHZ Radio System. This is something that we need for both police and fire and it will be coming out of the General Fund.

Mr. Olson stated other things are the Vision 2020 Plan that is being discussed right now. We do not know whether or not the strategic plan will have any costs associated with it. Most likely there will be some costs associated with it. How do we incorporate those costs in the budget? In all likelihood we won't have that information until after the end of this fiscal year. There may need to be put some money in the contingency fund to help further that Vision 2020 Plan.

Mr. Olson continued by saying that one thing that we have to do is the vehicle replacement. We need five police cars. That is \$220,000 and we will need a packer truck at \$280,000. He went over the inner local agreements that we currently have.

Mr. Olson stated the final item he would like to go over is some questions that we have for Council. They are as follows:

a} At what level do we fund the Community Support Grants. Last year we did \$75,000. Do we want to do the community support grants at the same level that we did last year? Do we want to lower it or do we want to increase it?

Councilman Walton stated this ground rules thing and it didn't come up as of yet. Probably because he hasn't brought it up. He feels like sometimes you have to give some to get something. Previously, we said we were going to let Rich finish presenting the budget on April 15th. He feels to help change we need to do something different because if you keep doing the same thing that you have been doing you will always get the same results. Last year was not a good result for our budget because the last day of the budget we acted like it was all good but it was not all good because we had a divisive vote. We had five people who voted yea, two people that voted nay and one person voted yea in protest. We have not completed what we should have done. We go through the same process this year to him that will give us backlash. That is not the way to go. To be non-contrary to last year Mr. Stimatz brought up a good point. He asked that while he is presenting on the 15th that he could ask questions. He has no problem with that this time because last year it was not the greatest year for the budget. He is giving in because during one of those meetings you were talking about the Finance Committee. You said they didn't know what they were going on and they didn't know the status of projects and they didn't know when they were going to be completed. In other words, they were totally in the dark. This was said on May 14, 2012. He asked how many more times would we meet for the 5:30 meeting on the budget. He really doesn't like the way things are being done. Mr. Olson replied that he thinks we have one more meeting. Then he asked the question, what did we do with the \$246,000 in the Building Fund that he asked him to include. Mr. Olson replied there is nothing earmarked for those funds at this time. Is there anything earmarked for that fund this year.

Mr. Olson replied that fund has disappeared. You have already spent it all out. You approved the Charles Creek Pavilion. Plus you also did some radiators for the Public Safety Building and some other small items that came out of that fund.

Mr. Walton asked Mr. Olson to please bring back at the next meeting a report of where all those funds went. Further down in the May 14, 2012 minutes Councilwoman Hummer stated she understood Councilman's Walton's concerns. She believes it was at the last regular meeting that she said the full Council should look closely at the budget. He brought this up to let you know the process didn't go as easy as we thought it would. We can do better. He feels we should talk about it as we go through the budget.

Councilman Stimatz stated that there was \$25,000 was added to assist AoA for a one time thing; therefore, we should go back to the \$50,000. It is just a number

as we can always change it. It is a place holder in case we want to use it. He would suggest \$50,000.

b} Should we appropriate fund balance to balance the budget, if needed?

Mr. Olson stated right now we are at 12%. We have been as low as 8% or as a few years ago at 7%. Council established at one of our goal settings session 15%.

Ms. Blanchard stated you only have a couple of hundred thousand dollars to play with anyway. It needs to be at 8% at the very minimum.

Mr. Walton stated he feels like we should look at this budget as close as possible. Don't take any lead way by being saved by using these funds to balance the budget. If anything let's have money left over rather than spending the fund balance to balance the budget.

Mr. Donnelly said he could live with 10% fund balance. Times are tough. He could live with 10%.

Mr. Walton stated some on this Council feel that you can amend the budget at any time to things done. That has been said. Don't think about amending things; let's try to get this budget as close as we can to being as perfect as possible to be good stewards of the public's money.

c} Should we increase fees?

Mr. Stimatz asked how short are we in the sanitation fund.

Mr. Olson replied \$404,000.

Mr. Stimatz said then people are getting a free ride off of the property tax payers on their trash, so people that are generating the trash aren't paying for the trash. That is an issue. What kind of rate increase would it take to make that a mutual revenue fund, which it should be?

Ms. Blanchard said about \$5.00. You would have to go up to \$22.50 - \$23.00 to make it self sufficient.

Mr. Stimatz said we have to increase rates or decrease services or benefits. There is no way around that. For the longest time we have been providing Cadillac services at Volkswagen prices. It is long overdue. We have two choices. You keep pawning it off on the property tax payers and we should make the people that create the trash pay for the pickup. He has no problem with that.

Maybe we could look at decreasing the number of times that we pick up. It should be an enterprise fund that supports itself. That would be the better way to run it and the only way to do that is to raise the fees to the point that you are able to do that, so for him, he thinks we should increase the sanitation fees to cover the cost of doing the service.

Mr. Walton stated that you said in the Finance Committee that you could contract this service out.

Mr. Olson replied that he has looked into contracting it out but unfortunately no one wants to provide as high a level of service as we provide. You take anything out to the curb and we will pick it up. Private haulers would love to just go out there and pick up the 95 gallon containers. They don't want to have anything to do with everything else we offer. That is the problem he had when he had discussions with private haulers a couple years ago. They just can't compete with that level of service.

Ms. Baker said we have been providing more service than what we are getting paid for and she thinks Stimatz is right; we need to raise the fees. As many years as she has been on the Council we have been in the hole in sanitation. People get use to having really good service and being able to just throw anything on the street and it is picked up. She thinks we need to increase it to where it needs to be and to include the cost of the truck.

Mr. Donnelly stated he couldn't disagree with the arguments presented. A \$5.00, \$5.25 or \$5.50 increase might be a little difficult for some people to handle. He thinks if we begin gradually increases over the next year or two he thinks we might be able to accomplish the same goal.

Mr. Stimatz said he thinks Ms. Baker makes another good point and that is to include the cost of the truck. If we were an enterprise fund what would it look like?

Mr. Olson stated that we could do that even though our debt payment in the General Fund is going up by \$10,000 he thinks there are number of solid waste things coming off this coming year. We should be buying a sanitation piece of apparatus every year. The next three years we are looking at three packer trucks, one every year. That is what the vehicle replacement program shows.

Mr. Stimatz stated he could live with \$3.00 this year and \$3.00 next year to get us where we should be.

D} Should we require our employees to pay for part of the health insurance increase?

Councilman Stimatz stated he can tell you what his constituents are going to say. Not only yes but heck yes. Most people pay something for their health care regardless of where they are at. To pay nothing is incredible. The fact that we are going to get a \$400,000 increase to turn around and put that burden on the taxpayers and not ask employees to do part of it that is a tough one to hand out. If you did nothing else you would have to raise property taxes 3 cents to cover it. This is election year and boy he tells you no body wants to raise property taxes in an election year. They don't even want to talk about it. He has trouble passing on a tax increase without saying to our employees you are going to pay part of it. He doesn't know what that number is yet. The lower paid employees will be paying proportionally more. The other thing would be to see who uses it the most, by age group or wage group. That would be an interesting number to look at. That is the problem that he sees. His constituents have been beating on him for years now on why they don't pay anything at all. Last year we backed off and gave them a COLA. It is time for them to give something.

Mr. Olson stated that is a 3% COLA in their check but they don't see that. In essence we are giving them a 3% increase if we pay 100% of their health insurance increase. That is why he did the slide the way he did it. He realizes our employees are going to struggle with that and they won't understand it because our employees look at what they bring home. They look at what their spending power is. It is definitely has been declining over the last four or five years. We have had 1.5% COLA over the last five years and that is it.

Councilwoman Baker said it is always a hard thing to tell employees that they are going to have to pay for something that they have been getting for nothing for many, many years. She has always said every budget year as well as paying a piece of health insurance costs, that there is a question not on this list and that is do they pay part of their 401 K. It has always been her thinking that they should at least contribute or contribute in order to get a match. Not just be handed that. No company does that. No company that she knows us in the business world. That is a hard nut to crack too. It is what it is in this market and in this economy and we are all suffering. She thinks that is another one we should look at.

Mr. Walton asked the city manager to put down these options: 1 cents property tax and what it would cost the employees to subsidize the rest of the cost, 2 cents and then 3 cents.

Mayor Peel said if they pay \$25 a month what impact would that have?
Mr. Olson stated last time \$25 per paycheck per employee was about \$100,000 a year. He would have to verify that.

e} Should we raise property taxes?

Councilman Stimatz said technically speaking if you look at the average cost of living index increase over the last 100 years it is 3% a year. If you were doing nothing as an organization and you have no other sources of revenue you should be increasing your revenue by 3%. If you have a \$20 million budget you should come out with \$600,000 in new revenue every year. That is about 4.5 cents in property tax just to stay even with what you are doing. We have never done that in this City. You can go back and look and we have never kept up with it. The reality is the number says we should be generating 3% in new revenue every year on average. In years like this when the CPI is down maybe it is only 1%. The reality is that you have no other source of income available to you technically you should be adding on to your tax rate each year. The reality is that we haven't raised it but 16% in the last six years. The County has raised theirs 35% and half of our rate increase was to recoup the sales taxes we lost because they raised their rates. We have only raised property taxes 8 or 9% in almost eight years. Should we raise property taxes, not if we can help it? Council in the past doesn't want to look at the hard ones. Health insurance they don't want to look at it. Sanitation Fee, they don't want to look at it. Cutting benefits, they don't want to talk about it, cutting services; they don't want to talk about it. They want to keep everything where it is and expect to pay for it with the same amount of money. Nobody in their right mind runs their home budget like that. Can we hold it off, well it would be nice.

Mr. Walton said all that sounds good but the electric bill changes everything. What you say sounds good but in reality we still have a big elephant in the house.

f} Would the City Council support lowering the level of services we offer by reducing the number of city employees?

Mr. Olson asked if Council wanted to have on the table in this year's budget discussion a reduction of employees so we don't have to raise property taxes or other type of fees.

Ms. Baker said she says yes. She says by attrition at least. She thinks the biggest complaint she gets from her constituents is waste of city resources. Whether they are sitting idling vehicles or seeing three or four people doing the work that one or two people could do or whether they are seeing people conversing and sitting on cell phones rather than waiting on customers. Various ways that people notice what our employees are doing or not doing. She thinks we can get the same work done with less people if we work smarter and if we look at what we are doing and if people pay. We have some fabulous employees, don't get her wrong. There is one sitting in the room right here. She sees several sitting in the room right here. She was thinking Customer

Service. It is what people see and she thinks that we could get the same service. We don't have to lay people off; just don't fill the positions that are caused by attrition.

Mr. Walton said he is in line with what Ms. Baker just said. How many do we have that is planning to retire? What would that save?

Mr. Donnelly said he would definitely support a moratorium on hiring in order to bring a balanced budget forward. To a degree he agrees with Jean Baker regarding this whole issue. He does not want to see people laid off. That is not even on his radar but a moratorium on hiring would help. Maybe when we get back to bringing on new employees that's when we can tack on cost of health insurance as well.

Mr. Stimatz said one thing he would help the discussion is if we say, look in order not to raise property taxes we plan on doing the following. Here are the things that the City Manager is proposing. Your time to get reconnected is going to go from 15 minutes to 45 minutes. You are not going to get the same turnaround on customer service; the lines are going to be longer. We need to tell them that impact. Unless you tell us otherwise we are going to go ahead with these things because we feel you don't want the property tax increases. Unless they come to us and say stop, stop, stop then we go ahead with it. When they say why did we do that we will say because no one showed up to say no. That is the important part of the budget process is to let the public know. You need to put something in the paper and be very clear about it. If people don't like what we are planning to do they need to come and tell us? That is really the question. Pick your poison, you can't have both. You can't have the same services and no increase. It is not going to happen.

Ms. Hummer said she will not support a reduction of employees. To do it by attrition sounds good but if someone retires in a critical job what do you do. Do you do without that critical position? You really have to look at that. Even in a hiring freeze what do you do in critical areas? She really feels that throughout the year we come up with money for things that aren't absolutely necessary so she is not for cutting services or reduction in force. She thinks we are going to have to work harder and look at other ways.

Mayor Peel said one thing that he thinks would be helpful and we are getting newer kinds of trucks that will probably require fewer people to operate as you begin to look at technology and be able to read meters from a central location, we will need less people. These are two things that are coming down the plank. That is happening in every business. If you look as you acquire all this technology and he can't believe that we don't have an IT person. We need someone dedicated to IT. What are you going to need going forward because

we are going to need some things that we haven't had before? That he thinks brings some sense to the conversation about what are the things that we no longer need and what do we need now. Can we take care of that through attrition or do we retrain people or how do we meet those needs. We need to begin to look at our Human Resources and how do we reuse or retool them and where can we cut back. That is something that he would like to see.

Mr. Olson stated he needs to know is there anything that Council would like to us to look at to incorporate into the budget. He knows we have had a lot of discussion on how tough this budget year is going to be but also one of the things that we need to do is what the Council wants staff to do. We need your input to see if we do need to make some changes.

Mr. Walton said the question still comes out about the Vision 2020. He read in the Finance Committee minutes and we have never said we were going to put any monies into that Vision 2020. It was distinctly said that it was going to be the businesses and the private sector putting money there. Now people in that committee are talking about \$100,000 - \$150,000. That is insane to him. You are going to have to explain it to him a little bit better.

Mayor Peel replied that the business community has supported the planning process but if the committees were to come up with some things that you wanted to do such as some type of incentive programs for downtown or do more for kids and families then that would be money that you would use. The business community is not supporting that as they just supported the planning part. That is something that we talked about.

Mr. Walton wanted to know why we are talking about putting \$100,000 - \$150,000 in the Vision 2020. Last year it was the weatherization. He said at that time we hadn't talked about an increase in weatherization but we put another \$100,000 in it. We are now talking about Vision 2020 in the Finance Committee and if he hadn't gotten the minutes he wouldn't have known about it. That is what he was talking about prior to this. Things get slipped in. He said before he didn't remember talking about weatherization but you all said we had talked about it a whole lot of times. Wrong, we didn't talk about it. You talked about it in the Finance Committee well we need to hear it here.

Mayor Peel asked if there were another other remarks or suggestions.

Councilman Donnelly stated on behalf of the dog people he would like to encourage trying to find maybe \$50,000 somehow to develop two dog parks, one in the City and one in the County.

3} COMMITTEE REPORTS:

- a} Albemarle Economic Development Commission - Councilwoman Hummer, Councilwoman Baker, Mayor Pro Tem Hill-Lawrence and Mayor Peel:

Councilwoman Hummer stated the AEDC met last week and prior to that their Finance Committee met and drafted a budget to present to the City and County. What was presented to the full Board last week was just a maintenance budget. The figures for the City and the County will remain the same as they were last year with no increase.

- b} Central Communications Advisory Board - Councilman Walton:

Councilman Walton stated they have not met.

- c} Firemen's Relief Fund Board - Councilman Spence:

Councilman Spence was absent.

- d} NC Eastern Municipal Power Agency - City Manager Olson and Mayor Peel:

Mr. Olson reported that our meeting for this Wednesday has been cancelled. We will have another meeting and an election of a member from the Eastern Agency to the Board of ElectriCities will take place at our March meeting.

- e} Elizabeth City Downtown, Inc. - Councilman Donnelly:

Mr. Donnelly reported ECDI is moving its office and conference room into the Mack Sawyer Building by the end of this week. A ribbon cutting ceremony will take place with the Chamber and Cypress Creek helping out and that is scheduled for March 14th at noon. Still looking for sponsors and volunteers for the NC Potato Festival which is scheduled for May 18th. Feel free to catch up with Rebecca Cross or let him know. A new downtown business has opened up by the name of Spoonful of Sugar and is located at 106 North Road Street. First Friday Art Walk is this Friday, March 1st. On Saturday, March 2nd at 4:15 p.m. put \$20 in your pocket and meet at Mariner's Wharf Park and it is going to be the first time downtown "cash mob". Whatever that may be and if you want to know what "cash mob" is all about, put \$20 in your pocket and meet at Mariner's Wharf. He thinks you go on a shopping spree.

- f} Elizabeth City Area Chamber of Commerce – Mayor Peel

Mayor Peel reported the big thing going on is the Business Expo which will be March 25th – March 26th. That is an opportunity for people to go out and see a lot of the businesses we have in the area and what they have to offer.

g} Finance Committee – Councilwoman Hummer:

Councilwoman Hummer stated the Finance Committee met last Wednesday and we were presented the same handout that you have in front of you tonight. We really didn't go into all that discussion. It was just a brief overview. The only recommendation was to present the same overview to full City Council.

h} Parks and Recreation Advisory Board – Councilman Walton:

Councilman Walton reported that they did meet and we are in the process of electing our new chair person. While we were there we discussed buying banners. We want to go into partnership with the County to buy banners for the softball league season. We feel if we put banners up we will get more kids involved.

i} Alleyway Committee – Councilwoman Hummer, Councilwoman Baker, Councilman Brooks and Mayor Pro Tem Hill-Lawrence:

Councilwoman Hummer stated we have not had a meeting but the Mayor and she were speaking about it tonight and she thinks we are going to become active again shortly.

j} Elizabeth City/Pasquotank County Airport Authority – Councilman Stimatz:

Councilman Stimatz reported we met last week. We are continuing with our strategic vision development. We will be looking at the progress that has been made so far and make some decisions on where we are going to be going. A major thing that has been worked on by the Airport manager is getting us on the DOD contract fuel contract. We have made significant progress on that and that opens up a major opportunity for increase fuel sales to DOD aircraft coming through the area which will be good for us. DRS has reapplied for the Coast Guard Maintenance Contract. The budget request from the Airport Authority is the same as last year \$35,000.

k} Storm Water Drainage Advisory Board – Councilman Stimatz:

Councilman Stimatz reported we met and had a quorum and discussed the progress on the Fairgrounds. We talked about the next steps in Tiber Creek. We are waiting for the Army Corps of Engineers survey of Knobbs Creek. It is still on going and it will take some time to complete. This is a major impact that we have no control over. We are making good progress on the Fairgrounds project which will take some burden off of the west end of Cedar, Maple and Colonial Streets.

I} Tourism Development Authority: Councilwoman Baker:

Councilwoman Baker stated we have a meeting this Thursday at 9:00 a.m. at Kermit E. White.

4} ADJOURNMENT:

There being no further business to come before the Work Session, Mayor J. W. Peel adjourned the meeting at 7:00 p.m.

Dianne S. Pierce-Tamplen, MMC
City Clerk

Joseph W. Peel
Mayor